



Submission for the Virginia Rail Enhancement Fund – FY09



Acca Bypass Project

February 1, 2008

VIRGINIA RAIL ENHANCEMENT FUND

APPLICATION

ACCA BYPASS PROJECT

CSX Transportation

February 1, 2008

CSX Transportation

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Rail Enhancement Fund Project Application Form

Internal Use

DRPT Tracking #

Date: February 1, 2008

A. Name of Applicant (Name and Address)

CSX Transportation, Inc. (CSXT)
500 Water Street
Jacksonville FL 32202

Applicant type:

- ☐ Passenger Railroad
☒ Freight Railroad
☐ Locality
☐ Business
☐ Other _____

B. Contact Information:

Responsible Person/Title: Jay Westbrook, AVP Public-Private Partnerships, Mail Stop J-315

Telephone: 904-359-3568 Fax: 904-359-1373 Email: Jay_Westbrook@csx.com

Project Manager/Title: Gary Kujala, Director Transportation Projects, Mail Stop J-340

Telephone: 904-359-1215 Fax: 904-366-4005 Email: Gary_Kujala@csx.com

C. **Project Title:** Acca Bypass (Expanding Virginia's I-95/I-64 Passenger Rail System)

D. **Project Location:** (City/County, Rail line, Railroad Mile Post, See attached schematic)

- Fredericksburg to Doswell; CSXT RF&P Subdivision; MP CFP 53.2 – CFP 21.8
- Doswell to Richmond; Buckingham Branch Railroad; MP CA 111.7 – CA 85.5
- Richmond to Centralia; CSXT Bellwood Subdivision; MP SRN 0.7 – S 10.9
- Richmond to Newport News; CSXT Peninsula Subdivision; MP CA 85.5 – CA 14.1
- Newport News Terminal Subdivision CA 14.1- CAE 12.0

E. **Owner of Property/Right-of-Way/Facility/Personal Property:** CSXT

F. **Responsible Party for Continuous Maintenance of Project:** CSXT is responsible for the maintenance except for the Buckingham Branch Railroad's (BBRR) maintenance of the railroad from Doswell to Richmond's AM Junction

G. Project Information:

1) Description of Project:

CSXT proposes to upgrade its facilities along the route Fredericksburg – Doswell – Hanover – Richmond – Centralia or Newport News to allow existing and new passenger trains to bypass its congested Acca Yard, significantly increasing the utilization of Richmond’s Main Street Station and improving passenger and freight train performance along the I-95 and I-64 corridors in the Commonwealth. Under this plan, all Amtrak trains serving Richmond would stop at Main Street Station whether to/from the South or Newport News. (AutoTrain will maintain its current route).

Currently, CSXT provides windows for passenger trains to move through the freight traffic which creates severe congestion throughout the Richmond metropolitan area. The four Amtrak trains to and from Newport News must cross over all freight traffic entering, leaving or switching at the southern end of Acca Yard. Known as “AY,” this location is critical to yard operations and is heavily used by slow moving yard traffic. This track configuration is inadequate to handle the current volume of trains and cannot support any additional passenger service desired for the future. Rerouting passenger trains to the East of Acca Yard would greatly reduce conflicts between passenger and freight trains providing a trip with far fewer delays for passengers.

Using the new route, passenger trains to/from the Northeast, currently laying over at Richmond, could provide additional service between Richmond and Newport News by laying over in Newport News. The new Acca bypass combined with the appropriate track capacity additions on the BBRR, and CSXT’s RF&P, Peninsula, and Newport News Terminal subdivisions could provide enough capacity to actually increase the frequency of passenger train service to Richmond and the Hampton Roads area. Amtrak could experience a peripheral advantage by consolidating its layover facilities in Newport News.

This project would include a first year allocation for 30% engineering, environmental evaluation and preparation of permit documentation. Subsequent years’ allocations would fund final design engineering permitting and construction.

Fredericksburg to Doswell; CSXT RF&P Subdivision; MP CFP 53.2 – CFP 21.8

Build 31.4 miles of 3rd main track from Fredericksburg XR, CFP 53.2, to Doswell, CFP 21.8.

CSXT, as part of the 30% engineering, will determine the appropriate interlocking pattern to maximize the efficiency of train operations from Fredericksburg to Doswell.

Doswell to Richmond; Buckingham Branch Railroad; MP CA 111.8 – CA 85.5 and Richmond to Centralia; CSXT Bellwood Subdivision; MP SRN 0.7 – S 10.9

Build a new Doswell Interlocking that includes a double-track, northeast quadrant connection between the CSXT RF&P Subdivision and the BBRR to permit passenger train speeds. Upgrade the approximately 37.9 mile BBRR-CSXT route, Doswell-Richmond Main Street Station-Centralia route to permit far more fluid passenger and freight operations, including additional track on the west side of Main Street Station to allow an I-95 Corridor freight train to pass a passenger train serving the station and proceed to/from Acca Yard or the BBRR. Build a new

Centralia interlocking that includes a double-track, southeast quadrant connection between the CSXT Bellwood Subdivision and the CSXT North End Subdivision.

This application assumes that Virginia Department of Rail and Public Transportation (VDRPT) and BBRR will perform the necessary preliminary engineering work on the BBRR segment of this project. The cost of performing the BBRR preliminary engineering is not included in this application.

The detailed project scope would be determined cooperatively with the Virginia Department of Rail and Public Transportation (VDRPT) utilizing an RTC (Rail Traffic Controller) computer simulation of current and proposed passenger and freight operations. This simulation will determine the appropriate infrastructure to provide fluidity. Preliminary results indicate the need for a second main track over much if not all of the route to permit the 95% on time performance desired by VDPRT. Further, auxiliary tracks are required to permit local freight service to existing and future industrial customers while minimizing main track occupancy and interference with passenger trains.

The Amtrak AutoTrain will continue to operate on its current route through Acca Yard due to clearance restrictions along the proposed bypass.

Richmond to Newport News; CSXT Bellwood, Peninsula and Newport News Terminal subdivisions; MP CA 89.7– CAE 12.0

Build 2nd main track from CA 89.7 through AM Junction to Rivanna Junction, to allow trains passing Richmond's Main Street Station to proceed onto or off the BBRR or to/from Acca Yard without delay while a passenger train is serving the east side of Main Street Station. *Further, the project proposes to add second main track segments on the Peninsula and Newport News Terminal Subdivisions as determined cooperatively with the VDRPT utilizing an RTC computer simulation of current and proposed passenger and freight operations. This simulation will determine the appropriate infrastructure to deliver 95% on time performance for passenger trains, while maintaining fluidity for freight operations and preserving expansion capability.*

This project will also examine the urgent need to reconfigure the existing passenger train facilities in Newport News to eliminate the current interference with all freight movements as well as allow for the layover of additional passenger trains, some of which currently layover in Richmond.

Amtrak's Newport News Station at CA 13.9 lies on the south side of the CSXT main track while the wye track required for turning the Amtrak trains and the tracks utilized to store the trains lies on the north side of the main track. This configuration requires every Amtrak train arriving or departing Newport News to move across all tracks required for freight moves into or out of Newport News. Therefore, CSXT ceases through freight and yard operations for extended periods of time to accommodate each of these Amtrak moves, seriously impacting service to freight customers in the Hampton Roads area.

2) Project Objective:

The objective of the Acca Bypass (Expanding Virginia's I-95/I-64 Passenger Rail System) is to substantially improve capacity, flexibility, fluidity and frequency of passenger and freight trains. The project will enable both train types to travel between origin and destination in less time with greater safety, reliability, and recoverability.

3) Relationship to Other Projects under Development by Applicant or Previously Funded by this Program:

This application complements the projects funded by the Virginia Transportation Act of 2000 and the 2005 North Acca Switches Rail Enhancement Fund project. Both projects serve as an example of how well-planned, comprehensive investment in rail infrastructure can support personal mobility and economic development while furthering national and state transportation goals and improving safety and environmental practices. Designation and implementation also will help relieve the growing congestion caused by increased freight and passenger rail volume.

If this application and others being submitted this year by CSXT are collectively approved, they will have a substantial, positive impact on freight and passenger service by providing more efficient and reliable service for passengers and freight shipments. The end result: a stronger transportation infrastructure to support Virginia's competitive position in the global marketplace.

CSXT is also requesting Rail Enhancement funding this year to:

- Improve intermodal capacity and service from Suffolk by adding capacity at Kilby and clearing overhead obstructions along the I-95 Corridor
- Complete the 3rd main track from Fredericksburg to Washington, DC

The synergies of these projects would greatly enhance Amtrak inter-city and VRE commuter passenger service as well as CSXT freight service to and through Virginia.

4) Describe the Public Benefit of Project. Identify significant types of benefits and beneficiaries from this project. (See Attachment A)

The project will provide benefits to the public by reducing delays due to and conflicts between freight and passenger trains. The added rail capacity would provide greater operational productivity and reduced delays for both passengers and freight. Reduced delays and increased reliability would make rail service a more attractive and economical alternative compared to shipment by truck. This results in reduced highway congestion, shipping costs, accident rates/costs, energy use and air emissions.

5) Attachment A – Project Data Information Form – Must be completed by Applicant and submitted with this application.

H. Type of Project:

- 1) ☒ New Construction ☐ Rehabilitation ☐ Study
- 2) ☒ Rail Infrastructure ☐ Rail Facility/Station
 ☐ Equipment/Rolling Stock ☒ Signals/Communication Equipment
- 3) Other _____

I. Application Scope of Work Covers:

☐ Entire Project ☒ A Phase of a Multi-Phase Project ☐ Completion Phase

J. Project Budget Summary:

Preliminary Service, Engineering, or Feasibility Study	\$ _____
Environmental Evaluation	\$ 2,560,000
Design Engineering	\$11,370,000
Right of Way Acquisition	_____
Construction	_____
Construction Management	_____
Lease/Acquisition of Equipment	_____
Public Involvement (if applicable)	_____
Other _____	_____

Subtotal Project Budget **\$13,930,000**

Total Project Budget **\$13,930,000**

K. Attach detailed budget and schedule information. If the project is for final design, construction or procurement; then plans, specifications and reports to a preliminary engineering level (approximately 30%) should be provided to support the project cost and major features (if applicable). A sample budget and schedule is included in Appendix D.

L. Rail Enhancement Funds Requested in this Application: **\$9,751,000**
Maximum 70% of Total Project Budget. Do not include any previous allocations or future phases.

M. Local Match Required by Applicant: **\$4,179,000** _____
At least a minimum 30% of Total Project Budget

If Overmatch, Provide Percentage _____

1) Match Breakdown by Source (Including any in-kind match)

a. Provider of Local Match CSXT _____

b. Status (confirmed/anticipated) Confirmed _____

c. Attach justification for value of in-kind match.

2) Other Funding Sources Beyond Match Requirement

a. Provider of Overmatch _____

b. Status (confirmed/anticipated) _____

N. Project implementation schedule (based in months). List major milestones of the project, including environmental review and public involvement points if applicable.

O. Statement of how this project promotes or does not preclude dual/multi-access use.

The project would greatly enhance fluidity, reliability and on time performance for existing Amtrak passenger service and Buckingham Branch and CSXT freight service.

P. List additional users of rail line, facility, and/or equipment.

Amtrak over CSXT and Buckingham Branch

Q. Identify any possible environmental or other issues/concerns within the scope of this project.

The net environmental impact of this and other CSXT projects proposed for funding this year will be positive: a more efficient rail network alleviating highway congestion, reducing fuel consumption and offsetting the need for additional highway construction. As a conscientious corporate citizen of Virginia, CSXT is vigilant in its efforts to protect the environment in and around its operations throughout the state. However, details of any environmental issues within the scope of this project will be determined through the preliminary engineering process.

Required Attachments:

Application is not complete without items 1-5 completed by the Applicant and submitted with the Application.

1. Attachment A - Project Data Information Form (Provided)

2. Attachment B - Application Checklist (Provided)

3. Detailed cost, budget and schedule. Include preliminary engineering to 30% report, if applicable (Sample in Appendix D)

4. Certification of Match/% of Match/Documentation of Source of Match Including Defined Match Source (To be provided by Applicant)

5. Certification of Additive Investment (To be provided by Applicant)

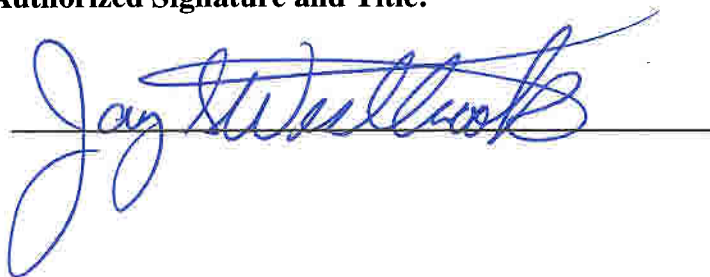
6. Statement from the Applicant/Owner of the facility that the SWAM participation goals will be achieved by the project.

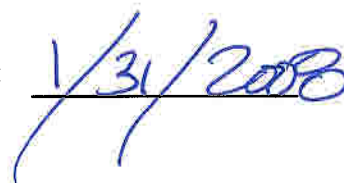
7. Statement from the owner of the facility that acknowledges the Commonwealth will have a public interest in the facilities, materials, equipment and improvements funded or impacted by this project (To be provided by Applicant/Owner)

Application and Attachment Certification

To the best of my knowledge all information contained in this application and its attachments is true. The information provided to the Virginia Department of Rail and Public Transportation (DRPT) is subject to full disclosure except where protected by Virginia Code. Any additional documentation related to this application will be provided to DRPT upon request.

Authorized Signature and Title:

A handwritten signature in blue ink, appearing to read "Jay Stull", is written over a horizontal line.

Date: A handwritten date "1/31/2008" in blue ink is written over a horizontal line.



Completed Application Submission Information

One signed original, twelve copies, and an electronic copy in pdf format of the completed application and required documentation must be mailed under applicant cover to:

Director
Virginia Department of Rail and Public Transportation
1313 East Main Street, Suite 300
Richmond, VA 23219



Rail Enhancement Fund Project Application

Internal Use

DRPT Tracking #

Attachment A Project Data Information Form

Date: 2/1/2008

Name of Applicant and Project

CSX Transportation, Inc. – Acca Bypass (Expanding Virginia's I-95/I-64 Passenger Rail System)

General Instructions: Please complete the following forms that apply to the project application.

- For Freight Service projects, complete forms A1, A2 and A5
- For Intercity/Amtrak passenger projects, complete forms A1, A3 and A5
- For Commuter/VRE passenger projects, complete forms A1, A4 and A5
- For projects that involve benefits to both freight and passenger projects, form A1 and forms A2-A4 that apply must be completed. For each completed form A2-A4, a form A5 must be completed for each category for projects resulting in multiple project benefits.

Terms:

Project Cost and Construction Period: Form A1 shall be completed with total project cost by year of expenditure with total DRPT cost identified by year of expenditure. This section must be completed for all project applications.

Demand Characteristics: This category of information relates to the additional demand for rail service (including freight and passenger) due to the project. This additional demand must be over and above baseline conditions that currently exist. The specific data to enter here defines initial demand, steady state demand, and the years until steady state demand is achieved.

Steady State Demand: This term refers to the point at which the project benefits/demand have reached a long-term, sustainable level.

Project Impact on Travel Distance: This category of information includes the distance that would be traveled by vehicle or train. All distances should be limited to miles within Virginia. The distance should relate directly to the project-impacted area.

Demand Characteristics for a 15-year Performance Period: This term refers to the project output by performance year, which will be utilized to determine the public benefits and to determine the performance requirements over the 15-year Performance Period of the Grant Agreement.

Attachment A
Form A1 – Project Cost and Construction Period

First Construction Year

Last Construction Year

Year	Total Project COST	Total DRPT COST
Year 1	\$13,930,000	\$9,751,000
Year 2		
Year 3		
Year 4		
Year 5		
Total	\$13,930,000	\$9,751,000

Use Form A-5 to provide demand characteristics for the 15-Year Performance Period.

Attachment A
Form A2 – Freight Service

(Note: CSXT and VDRPT will work cooperatively to establish Values)

Demand Characteristics	CATEGORY	UNITS	VALUE
	Steady state demand – diversion of freight to rail (from trucks)	Carloads/Year	
	First year of diversion	Carloads/Year	
	Number of years until steady state	Number of Years	

Project Impact on Travel Distance	CATEGORY	UNITS	VALUE
	Rail miles in Virginia (Existing routing before project)	Miles	
	Rail miles in Virginia (routing after project completion)	Miles	
	Number of years until steady state	Miles	

Conversions	CATEGORY	UNITS	VALUE
	Railcars per Train	Railcars/Trains	
	Rail tons per Railcar	Tons/Railcar	
	Trucks per Railcar	Trucks/Railcar	

Other	CATEGORY	UNITS	VALUE
	Change in Daily Delay for Freight Trains	Railcars/Trains	
	Reduction in Number of Rail At-Grade Crossings	Tons/Railcar	

Use Form A-5 to provide demand characteristics for the 15-Year Performance Period.

Attachment A

Form A3 – Passenger Service – Intercity/Amtrak

(Note: CSXT and VDRPT will work cooperatively to establish Values)

Demand Characteristics	CATEGORY	UNITS	VALUE
	Annual Amtrak Passengers (Existing)	Passengers/Year	
	Steady State Demand – Additional Amtrak Passengers	Passengers/Year	
	First Year Number of Additional Passengers	Passengers/Year	
	Number of Years Until Steady State	Number of Years	

Project Impact on Travel Distance & Time	CATEGORY	UNITS	VALUE
	Amtrak Passenger Trip Length (Existing)	Miles	
	Amtrak Passenger Trip Length (After Project Completion)	Miles	
	Amtrak Travel Time Per Trip (Existing)	Minutes	
	Amtrak Travel Time Per Trip (After Project Completion)	Minutes	

Use Form A-5 to provide demand characteristics for the 15-Year Performance Period.

Attachment A

Form A5 – Demand Characteristics for 15-Year Performance Period

(Note: CSXT and VDRPT will work cooperatively to establish Values)

Performance Year	Performance Value*
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
14	
12	
13	
14	
15	
Total	

* For Freight Service Projects – car loads or containers per year
For Inter-City / Amtrak Passenger Projects – passengers per year
For Commuter / VRE Passenger Projects – passengers per year



**Rail Enhancement Fund
Project Application Checklist
Attachment B**

Date: 2/1/2008

Name of Applicant and Project:

CSX Transportation, Inc. – Acca Bypass (Expanding Virginia's I-95/I-64 Passenger Rail System)

Checklist for Application

1. Project is consistent with goals of applicable adopted state, regional and/or local plans.

☒ Yes ☐ No

2. Project is an Additive Investment to Virginia.

☒ Yes ☐ No

3. Project provides for, or does not preclude, shared or dual access opportunity.

☒ Yes ☐ No

4. Applicant has provided documentation and certification of at least a minimum 30% match.

☒ Yes ☐ No

5. Applicant has provided an environmental review plan and/or public involvement plan, if applicable, and required budget for this activity as outlined in Appendix D.

☒ Yes ☐ No

6. Application is complete, including signature and specified number of hard copies and an electronic (pdf file) copy; and Applicant has reviewed the Standard Agreement as provided in Appendix C.

☒ Yes ☐ No

Preliminary Engineering Estimate

1/28/2008

Virginia Rail Enhancement Fund

PROJECT NO. 2

	Environmental	PE Costs Only	Total
XR to Doswell (31.4 miles)	\$785,000	\$3,140,000	\$3,925,000
Doswell Conn. to BERR & AM Junction to Main St. Station	\$300,000	\$1,200,000	\$1,500,000
Main St. Station to Newport News (48.3 miles)	\$1,175,000	\$4,830,000	\$6,005,000
Main St. to Centralia (11.6 miles)	\$300,000	\$2,200,000	\$2,500,000
TOTAL EST. COST	\$2,560,000	\$11,370,000	\$13,930,000

Schedule for Notice to Proceed - Planning and Design

[illegible]

CERTIFICATION OF MATCH
FOR
THE ACCA BYPASS PROJECT

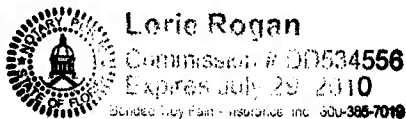
I, Michael J. Ward, as President & Chief Executive Officer of CSX Transportation, Inc. ("CSXT"), hereby certify that CSXT will provide 30 percent of the total cost of the Acca Bypass Project in Virginia. CSXT has the funds ready and available for its 30 percent match of the project.

This certificate is hereby provided to satisfy Item 4 of the Required Attachments section of the Virginia Department of Rail and Public Transportation Rail Enhancement Fund Project Application Form.

Signed: Michael J Ward
Michael J. Ward
President & CEO
CSX Transportation, Inc.

Date: 1-30-8

Notary: Lorie Rogan

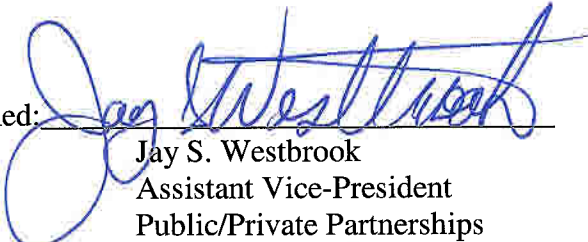


CERTIFICATION OF ADDITIVE INVESTMENT
FOR THE
ACCA BYPASS PROJECT

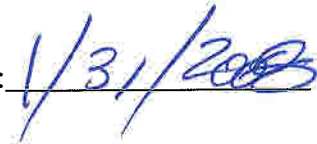
I, Jay S. Westbrook, as Assistant Vice-President, Public/Private Partnerships for CSX Transportation, Inc. ("CSXT"), hereby certify that CSXT is pursuing the Acca Bypass Project due to the availability of seventy percent matching funds from the Commonwealth of Virginia. The proposed project is an additive investment that is either beyond CSXT's current capital plan and/or will accelerate rail infrastructure improvements as of the date set forth below.

This certificate is hereby provided to satisfy Item 5 of the Required Attachments section of the Virginia Department of Rail and Public Transportation Rail Enhancement Fund Project Application Form.

Signed: _____


Jay S. Westbrook
Assistant Vice-President
Public/Private Partnerships
CSX Transportation, Inc.

Date: _____



Notary: _____

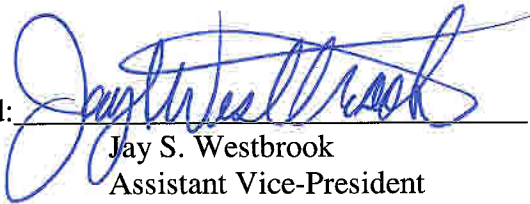


ACKNOWLEDGEMENT OF PUBLIC INTEREST
FOR THE
ACCA BYPASS PROJECT

I, Jay S. Westbrook, as Assistant Vice-President, Public/Private Partnerships for CSX Transportation, Inc. ("CSXT"), hereby acknowledge that the Commonwealth of Virginia will have a public interest in the ACCA BYPASS PROJECT. The Commonwealth of Virginia shall have a continued residual interest in the improvement of the CSXT property provided under the project. CSXT acknowledges and agrees that any improvements provided by this project may be placed on CSXT property. If, for any reason, the public benefit of the project no longer exists, CSXT shall have the option of retaining, or, at the entire cost of the Commonwealth, of removing, or of requiring the removal of, all or any portion of any improvements made under the project and of restoring CSXT's property and facilities to their original condition (ordinary wear and tear excepted), following such removal. If CSXT elects to retain all or any portion of the improvements for continued rail service, then CSXT shall pay to the Department the amount by which the then net salvage value of such improvements exceeds the removal and restoration costs otherwise to be incurred by the Commonwealth.

This acknowledgement is hereby provided to satisfy Item 7 of the Required Attachments section of the Virginia Department of Rail and Public Transportation Rail Enhancement Fund Project Application Form.

Signed: _____

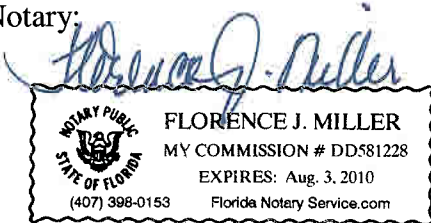


Jay S. Westbrook
Assistant Vice-President
Public/Private Partnerships
CSX Transportation, Inc.

Date: _____



Notary: _____

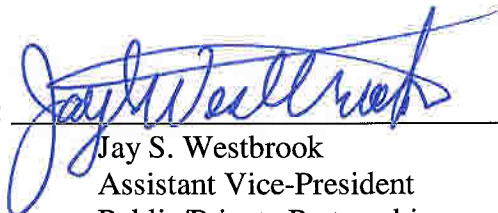


**STATEMENT FROM THE APPLICANT/OWNER OF THE FACILITY
THAT THE SWAM PARTICIPATION GOALS WILL BE ACHIEVED BY
THE ACCA BYPASS PROJECT**

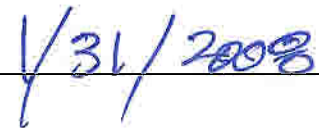
To Whom It May Concern:

I hereby certify that the Acca Bypass Project will, whenever it is possible, comply with the Small, Women, and Minority (SWAM) enterprises participation goals established for the Rail Enhancement Fund Program.

Signed: _____


Jay S. Westbrook
Assistant Vice-President
Public/Private Partnerships
CSX Transportation, Inc.

Date: _____



Notary: _____




RICHMOND VICINITY

**FREDERICKSBURG XR – MAIN STREET STATION
AND
MAIN STREET STATION – NEWPORT NEWS AND CENTRALIA**

